



**CITY OF MORGAN HILL**

**MORGAN HILL REDEVELOPMENT AGENCY  
CITY COUNCIL**

**COUNCIL CHAMBERS**

17555 PEAK AVENUE MORGAN HILL CALIFORNIA 95037

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**REDEVELOPMENT AGENCY**

Dennis Kennedy, Chair  
Larry Carr, Vice-Chair  
Hedy L. Chang, Agency Member  
Steve Tate, Agency Member  
Greg Sellers, Agency Member

**CITY COUNCIL**

Dennis Kennedy, Mayor  
Greg Sellers, Mayor Pro Tempore  
Hedy L. Chang, Council Member  
Steve Tate, , Council Member  
Greg Sellers, Council Member

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**WEDNESDAY, APRIL 25, 2001**

**JOINT AGENDA**

**REDEVELOPMENT AGENCY REGULAR MEETING  
&  
CITY COUNCIL SPECIAL MEETING**

**7:00 P.M.**

**CALL TO ORDER**

(Chairperson/Mayor Kennedy)

**ROLL CALL ATTENDANCE**

(Agency Secretary/City Clerk Torrez)

**DECLARATION OF POSTING OF AGENDA**

**Per Government Code 54954.2**

(Agency Secretary/City Clerk Torrez)

**SILENT INVOCATION**

**PLEDGE OF ALLEGIANCE**

**INTRODUCTIONS**

*Finance*

Marla Anderson

Accounting Assistant I

*Human Resources*  
Shairon Williams  
Human Resources Supervisor

*Morgan Hill Police Department*  
Virginia McGreger  
Police Support Services Specialist II

**CERTIFICATES OF APPRECIATION**

*Community Recognition for Traffic Safety Improvement at Condit/Main*  
Jim Johnson, Journalism Instructor  
Lacey Green, Student

**PROCLAMATIONS**

*United Nations International Year of the Volunteer*  
Karen Lengsfeld

**PRESENTATIONS**

*Earth Day Activities*

1. South Valley Disposal & Recycling: *Recyclers of the Year*
2. Recognition of Poster Contest Winners  
Tony Eulo

**NOW IS THE TIME FOR COMMENTS FROM THE PUBLIC REGARDING ITEMS NOT ON THIS AGENDA.**  
(See notice attached to the end of this agenda.)

**PUBLIC COMMENTS ON ITEMS APPEARING ON THIS AGENDA WILL BE TAKEN AT THE TIME THE ITEM IS ADDRESSED BY THE COUNCIL. PLEASE COMPLETE A SPEAKER CARD AND PRESENT IT TO THE CITY CLERK.**  
(See notice attached to the end of this agenda.)

**PLEASE SUBMIT WRITTEN CORRESPONDENCE TO THE AGENCY SECRETARY/CITY CLERK. THE AGENCY SECRETARY/CITY CLERK WILL FORWARD CORRESPONDENCE TO THE REDEVELOPMENT AGENCY/CITY COUNCIL.**

## ***Redevelopment Agency Action***

**CONSENT CALENDAR:** The Consent Calendar, Agenda Items #1 through #2 may be acted upon with one motion, a second and the vote. The Consent Calendar items are of a routine or generally uncontested nature and may be acted upon with one motion. Pursuant to Section 5.1 of the City Council Rules of Conduct, any member of the Council or public may request to have an item pulled from the Consent Calendar to be acted upon individually.

Time Estimate

Page

Consent Calendar: 1 - 10 Minutes

1. **MARCH 2001 FINANCE AND INVESTMENT REPORT** ..... 1  
**Recommended Action(s):** Accept and file report.

2. **ACQUISITION OF THE GUNDERSON PROPERTY ON W. EDMUNDSON AVE. (APN: 767-18-025)** ..... 11  
**Recommended Action(s):**  
1) **Authorize** the Executive Director to Execute an Installment Purchase Agreement and Any Other Related Documents with the Owners to Acquire the Gunderson Property Located on W. Edmundson Avenue, East of Community Park (APN: 767-18-025) for \$5,500,000 and All Closing and Escrow Costs, and  
2) **Appropriate** \$5,510,000 from the Redevelopment Agency's Fund Balance (Fund 317).

**OTHER BUSINESS:**

- | Time Estimate   | Page |
|---|------|
| 3. 30 minutes   | 25   |
| <b><u>COMMUNITY THEATER</u></b>   |      |
| <b><u>Recommended Action(s):</u></b>                                      |      |
| 1) <b><u>Select</u></b> a Design Scheme for the Community Theater;        |      |
| 2) <b><u>Appropriate</u></b> Additional Funding for the Project;          |      |
| <b><u>OR</u></b>  |      |
| 2) <b><u>Direct</u></b> Staff to Evaluate/Find Other Funding Sources;     |      |
| <b><u>OR</u></b>  |      |
| 2) <b><u>Reduce</u></b> the Project Scope; and                            |      |
| 3) <b><u>Direct</u></b> Staff to Proceed with the Schematic Design Phase. |      |

## ***City Council Action***

**CONSENT CALENDAR:** The Consent Calendar, Agenda Items #4 through #18 may be acted upon with one motion, a second and the vote. The Consent Calendar items are of a routine or generally uncontested nature and may be acted upon with one motion. Pursuant to Section 5.1 of the City Council Rules of Conduct, any member of the Council or public may request to have an item pulled from the Consent Calendar to be acted upon individually.

- | Time Estimate   | Page |
|---|------|
| Consent Calendar: 1 - 10 Minutes  |      |
| 4.  | 35   |
| <b><u>MARCH 2001 FINANCE AND INVESTMENT REPORT</u></b>  |      |
| <b><u>Recommended Action(s):</u></b> <b><u>Accept</u></b> and <b><u>file</u></b> report.  |      |
| 5.  | 63   |
| <b><u>BEVERAGE CONTAINER RECYCLING FUNDING</u></b>  |      |
| <b><u>Recommended Action(s):</u></b>  |      |
| 1) <b><u>Authorize</u></b> the City Manager to Request Funding, and   |      |
| 2) <b><u>Adopt</u></b> Resolution No. 5467 Authorizing the Submittal of a Funding Request for the Purchase of Additional Beverage Recycling Containers. |      |
| 6.  | 67   |
| <b><u>WAIVER OF POTENTIAL CONFLICT OF INTEREST WITH COUNTY OF SANTA CLARA</u></b>   |      |
| <b><u>Recommended Action(s):</u></b>  |      |
| 1) <b><u>Waive</u></b> Potential Conflict of Interest Between the City of Morgan Hill and the County of Santa Clara, and                                |      |
| 2) <b><u>Authorize</u></b> the City Manager to Execute a Waiver of the Conflict of Interest.  |      |
| 7.  | 73   |
| <b><u>FINAL MAP ACCEPTANCE FOR COYOTE ESTATES PHASE V (TRACT 9317)</u></b>  |      |

- Recommended Action(s): Approve and Authorize** the Recordation of the Final Map.
8. **AMENDMENT TO CONTRACT PROVIDING PLAN CHECKING SERVICES ON AN AS-NEEDED BASIS** ..... 75  
**Recommended Action(s):**  
 1) **Approve** Amendment to the Contract with Harris & Associates to Increase the Contract Amount by \$30,000, and  
 2) **Authorize** the City Manager to Execute the Contract Amendment.
9. **AUTHORIZE PROFESSIONAL SERVICES CONTRACT FOR DESIGN OF EDMUNDSON RESERVOIR** ..... 85  
**Recommended Action(s): Authorize** the City Manager to Execute the City's Standard Agreement with Schaaf & Wheeler for Design and Construction Administration Services for the Edmundson Reservoir, in the Amount of \$228,000.
10. **AWARD OF PROFESSIONAL SERVICES CONTRACT FOR SEWER LIFT STATION "B" IMPROVEMENTS** ..... 95  
**Recommended Action(s): Authorize** the City Manager to Execute a Consultant Agreement for Preparation of Plans, Specifications and Estimates on Sewer Lift Station "B" Improvement Project with Freitas + Freitas Engineers.
11. **AWARD OF PROFESSIONAL SERVICES CONTRACT FOR PUBLIC IMPROVEMENT PLANS RELATED TO THE COMMUNITY CENTER PROJECT** ..... 101  
**Recommended Action(s): Approve** the Proposal from MH Engineering Co., Inc. and Authorize the City Manager to Execute a Consultant Agreement for Preparation of Public Improvement Plans (offsites) and Mapping Related to the Community Center Project.
12. **ACCEPTANCE OF THE POLYBUTYLENE SERVICE REPLACEMENT PROJECT, PHASE II** ..... 107  
**Recommended Action(s):**  
 1) **Accept** as Complete the Polybutylene Service Replacement Project, Phase II in the Final Amount of \$315,169.62,  
 2) **Approve** the Expenditure of \$569,62 from FY 2000-01 Polybutylene Replacement Project #615095, and  
 3) **Direct** the City Clerk to File the Notice of Completion with the County Recorder's Office.
13. **AWARD OF CONTRACT FOR POLYBUTYLENE WATER SERVICE REPLACEMENT PROJECT, PHASE III** ..... 111  
**Recommended Action(s): Award** Contract to Vulcan Construction and Maintenance, Inc. for the Construction of the Polybutylene Water Service Replacement Project, Phase III in the Amount of \$336,000.
14. **ACCEPTANCE OF CONSTRUCTION STREET REPAIRS 2000-01 PROJECT** ..... 113  
**Recommended Action(s):**  
 1) **Accept** as Complete the Street Repairs 2000-01 Project in the Final Amount of \$1,312,836.70; and  
 2) **Direct** the City Clerk to File the Notice of Completion with the County Recorder's Office.
15. **CITY POSITION ON STATE LEGISLATION** ..... 117  
**Recommended Action(s): Direct** Staff to prepare letters stating the City's legislative position for the Mayor's signature.

16. **ACTION FOR BETTER CITIES CHECK-OFF PROGRAM** ..... 129  
**Recommended Action(s):**  
1) **Direct** Staff to Establish a Payroll Check-Off System for Elected Officials to Support Action for Better Cities, and  
2) **Adopt** Resolution No. 5469 Establishing a Voluntary Contribution Check-off Program.
17. **GRASSROOTS COORDINATOR NETWORK** ..... 133  
**Recommended Action(s):** **Direct** Staff to Prepare Letter Supporting the League of California Cities'  
Proposed Grassroots Coordinator Net1work.
18. **APPROVAL OF SPECIAL CITY COUNCIL MEETING MINUTES OF APRIL 4, 2001** ..... 135

**PUBLIC HEARINGS:**

- |     | Time Estimate  | Page |
|-----|--|------|
| 19. | 30 minutes   |      |
|     | <b><u>FOX HOLLOW/MURPHY SPRINGS LANDSCAPE MAINTENANCE DISTRICT -<br/>PUBLIC HEARING AND TABULATION OF BALLOTS AND DECLARATION OF<br/>BALLOT PROCEEDING</u></b> ..... 137   |      |
|     | <b><u>Recommended Action(s):</u></b> Request staff presentation.<br>Public Hearing opened.<br>Please limit your remarks to 3 minutes. Public Hearing closed.<br>Council discussion.<br>Action - <u>Motion to Tabulate</u> Ballots.<br>Action - <u>Motion to Adopt</u> Resolution No. 5468 Declaring<br>Results of the Ballot Proceeding. |      |

**OTHER BUSINESS:**

- |     | Time Estimate   | Page |
|-----|---|------|
| 20. | 15 minutes  |      |
|     | <b><u>STATUS REPORT ON SOUTH COUNTY REGIONAL WASTEWATER<br/>AUTHORITY (SCRWA) ISSUES</u></b> ..... 185  |      |
|     | <b><u>Recommended Action(s):</u></b> <b><u>Provide</u></b> Input to Our SCRWA Representatives Regarding<br>These or Other SCRWA Related Issues. |      |
| 21. | 10 minutes  |      |
|     | <b><u>REVIEW PROCESS OF APPOINTMENTS TO BOARDS AND COMMISSIONS</u></b><br>..... 189   |      |
|     | <b><u>Recommended Action(s):</u></b> <b><u>Discussion</u></b> and <b><u>Council Direction</u></b> .   |      |

## ***City Council & Redevelopment Agency Action***

**CONSENT CALENDAR:** The Consent Calendar, Agenda Items #22 through #25 may be acted upon with one motion, a second and the vote. The Consent Calendar items are of a routine or generally uncontested nature and may be acted upon with one motion. Pursuant to Section 5.1 of the City Council Rules of Conduct, any member of the Council or public may request to have an item pulled from the Consent Calendar to be acted upon individually.

|     |   |             |
|-----|---|-------------|
|     | <b>Time Estimate</b>  | <b>Page</b> |
|     | <b>Consent Calendar: 1 - 10 Minutes</b>   |             |
| 22. | <b><u>APPROVAL OF JOINT SPECIAL CITY COUNCIL MEETING AND SPECIAL REDEVELOPMENT AGENCY MEETING MINUTES OF MARCH 28, 2001</u></b> ..... | 201         |
| 23. | <b><u>APPROVAL OF JOINT REGULAR REDEVELOPMENT AGENCY AND SPECIAL CITY COUNCIL MEETING MINUTES OF MARCH 28, 2001</u></b> .....         | 203         |
| 24. | <b><u>APPROVAL OF JOINT REGULAR CITY COUNCIL AND SPECIAL REDEVELOPMENT AGENCY MEETING MINUTES OF APRIL 4, 2001</u></b> .....          | 209         |
| 25. | <b><u>APPROVAL OF JOINT SPECIAL JOINT CITY COUNCIL AND SPECIAL REDEVELOPMENT AGENCY MEETING MINUTES OF APRIL 17, 2001</u></b> .....   | 225         |

**CLOSED SESSIONS:**

**1.**

**CONFERENCE WITH LEGAL COUNSEL (POTENTIAL LITIGATION) AND CONFERENCE WITH REAL PROPERTY NEGOTIATORS**

|  |   |
|--|---|
| Legal Authority:                         | Government Code 54956.8, 54956.9(b), & 54956.9(c) (1 potential case)  |
| Real Property(ies) involved:             | APN 728-31-007 & 008; 25.50 acres located on the southwesterly side of Cochrane Road (St. Louise Hospital property) |
| City Negotiators:                        | City Council/Agency Members; City Manager/Executive Director; City Attorney/Agency Counsel; and Special Counsel     |
| For Property Owner:                      | San Jose Christian College representatives  |
| Closed Session Topic/Under Negotiations: | Potential Litigation & Price and Terms of Payment   |

**2.**

**CONFERENCE WITH LEGAL COUNSEL - POTENTIAL LITIGATION**

|                      |  |
|----------------------|--|
| Legal Authority      | Government Code 54956.8                            |
| Property:            | APN 817-13-001; 37.8 acres (soccer complex)        |
| Negotiating Parties: |  |
| For City:            | City Manager, City Attorney, Public Works Director |
| For Property Owners: | Tadashi & Alice A. Kadonaga, Trustee               |
| Under Negotiation:   | Price and Terms of Payment                         |

**3.**

**CONFERENCE WITH LEGAL COUNSEL - POTENTIAL LITIGATION & CONFERENCE WITH REAL PROPERTY NEGOTIATOR**

|                         |   |
|-------------------------|---|
| Legal Authority:        | Government Code 54956.8 & 54946.9(c)  |
| Real Property Involved: | A 8.49 acre parcel located on West Edmundson Avenue, east of Community Park (APN 767-18-025)  |
| Negotiating Parties:    |   |
| For City/Agency:        | City Manager/Executive Director; Public Works Director, Director of Business Assistance & Housing Services; City Attorney/Agency Counsel; Special Counsel |
| For Property Owners:    | Gundersen Trust Partnership Trustee   |
| Under Negotiation:      | Price and Terms of Payment  |

**4.**

**CONFERENCE WITH LEGAL COUNSEL (POTENTIAL LITIGATION) & CONFERENCE WITH REAL PROPERTY NEGOTIATORS**

|   |   |
|---|---|
| Legal Authority:                        | Government Code 54956.8 & 54946.9(c)  |
| Property:                               | APN 825-06-002, 003, 029, 030; 36.6 acres (Railroad/Maple - Butterfield Retention Basin Site) |
| Negotiating Parties:                    |   |
| For City:                               | City Manager; Public Works Director   |
| For Property Owners:                    | Costa Family Partners   |
| Closed Session Topic/Under Negotiation: | Potential Litigation & Price and Terms of Payment   |

**5.**

**CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION**

Initiation of litigation pursuant to Government Code section 54956.9(c) (one case)

**OPPORTUNITY FOR PUBLIC COMMENT**

**ADJOURN TO CLOSED SESSION**

**RECONVENE:**

**CLOSED SESSION ANNOUNCEMENT**

**FUTURE AGENCY-INITIATED AGENDA ITEMS :**

This is an Opportunity for Members of the Redevelopment Agency to Request Items for Future Agendas.

Note: in accordance with Government Code Section 54954.2(a), there shall be no discussion, debate and/or action taken on any request other than providing direction to staff to place the matter of business on a future agenda.

**ADJOURNMENT**